

EXPENSE ACCOUNTS

Routine Expenses

OFFICIAL

ACCOUNT CROSS  
REFERENCE (X)

A.

N.

H.

A.

R & R

NOTES

REPORTING \*

SCHEDULE A

LINE COLUMN

ACCOUNT DESCRIPTION

4

C

. Licenses and Dues - Fees for institutional licenses and dues for institutional memberships in professional associations.

. Professional Services - Fees for the services of public accountants and auditors. Fees to attorneys for collection of residents' accounts and fees and expenses for legal services associated with the operation of the facility. (Legal fees and expenses incurred in acquiring real estate should be added to the cost of the property purchased rather than be charged to this account.)

. Professional Services should be reasonably related to patient care.

. Insurance - the Expense applicable to the reporting period of all institutional insurance not related to property or employees.

. Data Processing - The expenses of operating a data processing department and/or the fees paid an outside firm for computer services. If Services are identifiable to the actual using account they can be applied directly.

N. J. 12/13/76 Effective 7-1-76

D

D

D

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NOTES

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. Travel - all Administrative travel and expenses incurred in traveling to out-of-town conferences, conventions and institutes. Report travel on Schedule A, A-1, and A-2.

D,E

. Advertising - Bold Print Directory Advertising and recruitment of employees.

. Miscellaneous - Medical Records and all administrative expenses not provided for under specific accounts.

. Freight and Cartage - Expenses incurred for freight, express and postage.

. Include allocations of home office expenses only to the extent not provided for management services, which would include functions such as business office/ data processing.

D

5

A&B

Dietary - Hours and Salaries

800

731

F

Includes hours and Salaries of dietitians, chefs, cooks, dishwashers, and all other employees assigned to the kitchen, dining room or cafeteria.

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SCHEDULE A

LINE	COLUMN	ACCOUNT DESCRIPTION	A. N. H. A.	R & R	NOT
5	C	<u>Dietary - Fees and Other Expenses</u> Includes the cost of dishes, glassware, silverware, paper products used in kitchen, dining room, and on residents' trays, kitchen utensils, soaps and detergents, menus, aprons, and uniforms for dietary personnel and all other miscellaneous supplies and expenses. Include the cost of outside contracted services here, if costs are booked separately from Food.	804,806X	738,739X	F
6	C	<u>Food - Fees and Other Expenses</u> Include the cost of food prepared in the regular kitchen, including special diets. If desired, separate accounts may be maintained for the major types of food such as meat, fish, etc. Donated food and government surplus food commodities should be charged to this account at a fair market value. Where the food consumed by residents and the staff is produced on a farm operated by the facility, an estimate should be made, if feasible of the fair market value of the foodstuffs and charged as an additional food cost. Otherwise, the costs of farm supplies, labor and the maintenance of farm equipment should be classified as food costs. Include the cost of outside contracted services here only if such costs are not booked separate from Food.	803,806X	735,739X	

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EXPENSE ACCOUNTS

Routine Expenses

76-15-21  
4.197D  
12/1/77

ACCOUNT CRC  
REFERENCE

REPORTING \*  
SCHEDULE A

LINE	COLUMN	ACCOUNT DESCRIPTION	A. N. H. A.	R & R
7	A&B	<u>Laundry and Linen -</u> <u>Hours &amp; Salaries</u> Including hours and salaries of laundry employees and those handling linen, such as a seam- stress, laundrymen, and ironers.	810	741
7	C	<u>Laundry and Linen - Fees and</u> <u>Other Services</u> This account includes the cost of linen, bedding, sheets, mat- tresses, pillows, pillow cases, blankets, towels, and washcloths. Laundry soap, bleaches, deter- gents, starch, pressing clothes, contracted services and all other expenses applicable to laundry and linen services.	813,814	745-749
8	A&B	<u>Housekeeping - Hours</u> <u>and Salaries</u> Includes hours and salaries of housekeepers, maids, porters, floor and wall washers and other housekeeping employees.	820	751
8	C	<u>Housekeeping - Fees</u> <u>and Other Expenses</u> Includes the cost of brooms, brushes, cleaning compounds, disinfectants, drinking cups, germicides, insecticides, lavatory supplies, mops, paper towels, polish, soap, and other housekeeping supplies and expense. Also include the cost of drycleaning of drapes, rugs and slipcovers, and the cost of contracted services.	824,826 829	758,759

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EXPENSE ACCOUNTS

Routine Expenses

7/6-1922  
12/1/77  
4.1975

ACCOUNT CROSS  
REFERENCE (X)

A.  
N.  
H.  
A.

R & R

NOTES

REPORTING \*  
SCHEDULE A

LINE COLUMN

ACCOUNT DESCRIPTION

9		<u>Other General Services</u> Includes all other general service functions not defined above.			
9	A&B	<u>Other General Services Hours and Salaries</u> Include the hours and salaries for all employees operating the above functions.	775,780 785,790	841	F
9	C	<u>Other General Services - Fees and Other Expenses</u> Include expenses not detailed above (attach detailed list for other General Service Expenses).	777-779, 782-784, 787-789, 792-798	845-849	

Property Operating:

Maintenance

Exclude items of a caretaking nature such as snow removal, exterminating, routine grounds maintenance, window cleaning, grass cutting etc. which should be reported in other general services.

11	A&B	<u>Maintenance - Hours and Salaries</u> Include the hours and salaries of carpenters, electricians, engineers, firemen, heating plant employees, machinists, painters, plumbers, watchman and other employees engaged in the operation or maintenance of the building, equipment and grounds. Include only those costs that are expensed; do not include any of those costs that are capitalized.	830	761	F
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LINE COLUMN

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A.

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H.

A.

R & R

NOTI

11

C

Maintenance Fees and Other Expenses

808,818,

776-778,

F

Include all non-salary,  
non-capitalized costs of  
grounds, buildings and  
equipment, such as the  
following:

828,834-

779

839,859

900,962

- . Maintenance and Repairs  
Supplies - Supplies and  
parts required to repair  
and maintain the facility  
as well as parts required  
to repair and maintain the  
equipment used by this  
department.
- . Ladders, lumber, metal  
working tools, paint, and  
plumbing supplies, etc.
- . Purchased Service - Contract  
fees for repairs and service.
- . Fees for inspections of boilers  
and elevators, and landscaping  
fees.
- . Include amounts paid by lessor  
for maintenance, and net from  
Rentals.

12&13

C

Property Taxes

844

777

Include taxes paid or due for  
the reporting period on land  
and buildings owned and used  
by the facility.

- . Report current assessment  
data on Schedule E.
- . Include amounts paid by lessor  
for property taxes, and net  
this amount from Rentals.

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7/6 15 27  
12/1 1977  
4.19 D

ACCOUNT CROSS  
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H.  
A.

R & R

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REPORTING \*

SCHEDULE A

LINE COLUMN

ACCOUNT DESCRIPTION

14

C

Utilities

Include the cost of the facility's utilities, such as: heating fuels, electricity, gas, water and sewage. Separate accounts may be maintained, if desired.

852-855

765-768

- . Include amounts paid by lessor for utilities, and net this amount from Rentals.

C

Property Insurance

848

775

Include the premium cost of all insurance on the property of the facility, such as fire, comprehensive, etc.

- . Premiums on auto insurance should be included on Schedule A, line 2 and/or 3 column C as applicable
- . Include amounts paid by lessor for property insurance, and net this amount from Rentals.
- . Include amounts paid by lessor for maintenance and net from Rentals.

17

C

Depreciation and Amortization

805,815,

770-774,

F

The methodology (assets values, method, lives, etc.) used to calculate depreciation and amortization on your tax return should be the same as the reporting of this cost on Schedule A. This account would normally include:

825,845,

816

846,945,

950X

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SCHEDULE A  
LINE COLUMN

ACCOUNT DESCRIPTION

A.  
N.  
H.  
A. R & R NOTE

- Depreciation of Building -  
The Cost of the building  
should be determined and  
depreciation prorated over  
its expected life, and  
the annual amount charged  
to this account.

- Depreciation of Building  
Improvements or Amoritza-  
tion of Leasehold Improve-  
ments - Depreciation on  
items of building improve-  
ment. These items are to  
be distinguished from  
repairs and maintenance  
of buildings. It is recom-  
mended that the Certified  
Public Accountant or inde-  
pendent accountant, re-  
tained by the facility,  
be consulted for determi-  
nation of the correct  
classification.

- The pro-rata share of  
leasehold improvements.

.. Major changes to  
facility, necessary  
for operations, where  
a lease is in effect.

- Depreciation of Building  
Equipment - Depreciation  
on items of fixed equip-  
ment that are affixed to  
the building (not subject  
to transfer or removal)  
that have a fairly long  
life.

Includes boilers, all  
systems, heating, fixtures,  
piping and sprinkler systems.

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26)

76-15  
12/1/77  
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SCHEDULE A

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- . Depreciation of Office Furniture and Fixtures - The cost of the office furniture and fixtures should be prorated over the expected life and the annual amount charged to this account.
- . Depreciation of Departmental Equipment - Depreciation on items of major equipment that, though capable of being moved, have a more or less fixed location in the facility and have a minimum life of about three years. Includes beds, chairs, floor polishers, office machines, motor vehicles, stoves, washing machines.
- . Separate accounts may be maintained, if desired. Detail records maintained should, at a minimum, satisfy the requirements of taxing authorities and any other affected agencies.
- . Depreciation of autos should be included on Schedule A, lines 2, 3 or 4 per instructions.

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18	C	<u>Net Rentals and Leases</u>	812,832	769	D,F
		Include the rental cost	843,895		
		for all property leased	961		
		by the facility.			
		. Report equipment leasing costs on Schedule E for current expenditures.			

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7/6-15  
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4.19D

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A.  
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H.  
A. R & R

- Amounts paid by lessor for property taxes, etc. should be netted from line 18 and reported on line(s) 11 through 15 as applicable.
- Leasing of autos should be reported on Schedule A lines 2 and/or 3 per the instructions.
- Include the costs of financing and operating leases.
  - .. Financing Leases - Upon expiration of the lease there is an option to purchase the equipment financed for substantially less than fair market value.
  - .. Operating Lease - Cost is for the use of the equipment, and there is no option to purchase at substantially less than fair market value upon expiration of lease.

19

C

Interest (All)

980-981

851-852

Include interest costs arising from all forms of indebtedness, such as mortgages, other obligations for property, notes, finance charges, loans from banks, loans from other entities and individuals and inter-company advances.

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